



File OF-Surv-Inc-2013 150 01
10 April 2014

Mr. Roel Lancée, P. Eng.
Manager, Canadian Regulatory Compliance
TransCanada PipeLines Limited
450 – 1 Street SW
Calgary, AB T2P 5H1
Facsimile 403-920-2415

Dear Mr. Lancée:

**TransCanada PipeLines Ltd. (TCPL)
Rejection of Engineering Evaluation for Line 100-4 Temporary Pressure Reduction
Relaxation related to Leak Incident 2013-150
Order SG-T211-002-2014**

The National Energy Board (Board) received TCPL's Engineering Evaluation on 13 March 2014 for a Temporary Pressure Reduction Relaxation for Line 100-4. The request related to a leak that occurred on Line 100-4 (Incident 2013-150) and was made for the purpose of conducting Inline Inspections.

The Board has determined that TCPL's Engineering Evaluation as submitted does not meet the requirements for an engineering assessment as outlined in CSA Z662-11 Clauses 3.3 and 10.3. In addition, the TCPL Engineering Evaluation as submitted did not demonstrate that the section of Line 100-4 between Mainline Valves 2-4 and 9-4 (Line 100-4 MLV 2-4 to 9-4) is fit for service at the pressure recommended by TCPL.

The safe and secure operation of pipeline infrastructure is of paramount importance to the Board. The Board has issued **Safety Order SG-T211-002-2014** (Safety Order) for Line 100-4 MLV 2-4 to 9-4, pursuant to sections 12 and 48 of the *National Energy Board Act*. The Safety Order outlines the Board's precautionary measures and terms and conditions on which TCPL may request a revision or lifting of the pressure restriction.

The attached Safety Order directs TCPL to operate the valve sections 2-4 to 9-4 of Line 100-4 at an operating pressure not exceeding 3500 kPa (Pressure Restriction).

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The Board is aware of the importance of Inline Inspections for the collection of information on the integrity of pipelines, but the decision to conduct such inspections must be based on evidence that it is safe to do so, or that TCPL is able to mitigate the risks involved.

The Board has determined that this Pressure Restriction will permit the continued safe operation of this natural gas pipeline, while proactively reducing the risk of future incidents.

Yours truly,

A handwritten signature in black ink, appearing to read 'S. Young', written over a horizontal line.

for

Sheri Young
Secretary of the Board

Attachment

c.c. Mr. Russell K. Girling, TransCanada PipeLines Limited, facsimile 403-920-2200



ORDER SG-T211-002-2014

IN THE MATTER OF the *National Energy Board Act* (the Act) and the regulations made thereunder; and

IN THE MATTER OF the 23 October 2013 Incident 2013-150, which occurred on the TransCanada PipeLines Limited (TCPL) Canadian Mainline Line 100-4 at MLV 2 + 3.3km near Burstall, SK and filed with the National Energy Board (Board) under File OF-Surv-Inc-2013-150.

BEFORE the Board on 10 April 2014.

WHEREAS the Board regulates the operation of the TCPL Mainlines in Saskatchewan;

AND WHEREAS TCPL incurred a leak on Line 100-4 on 23 October 2013;

AND WHEREAS the leak was detected while TCPL had taken a voluntary pressure restriction of 4130 kPa;

AND WHEREAS the Board has examined TCPL's Engineering Evaluation dated 11 March 2014 regarding a request for a temporary pressure restriction relaxation to 5400 kPa;

AND WHEREAS the Board is of the view that TCPL's Engineering Evaluation does not meet the requirements for an engineering assessment as outlined in CSA Z662-11 Clause 3.3 and Clause 10.3;

AND WHEREAS the Board is of the view that TCPL's Engineering Evaluation as submitted did not demonstrate that the section of Line 100-4 between Mainline Valves 2-4 and 9-4 (Line 100-4 MLV 2-4 to 9-4) is fit for service at the pressure recommended by TCPL;

AND WHEREAS the Board is of the view that precautionary measures are necessary for public safety and protection of the environment;

NOW THEREFORE, pursuant to sections 12 and 48 of the Act, the Board orders the following safety measures:

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1. TCPL shall operate the section of Line 100-4 MLV 2-4 to 9-4 at an operating pressure not exceeding 3500 kPa (Pressure Restriction), until such time as the Board may approve an increase in operating pressure.
2. No later than 17 April 2014, TCPL shall file with the Board written confirmation that it has implemented the Pressure Restriction. The written confirmation shall include confirmation that both the local and the control centre set-points for shutdown and control of the operation and isolation valves have been adjusted according to CSA Z662-11 Clauses 4.18 and 10.9.5 to reflect the Pressure Restriction.
3. TCPL shall, at least 30 days prior to a planned increase in operating pressure in Line 100-4 MLV 2-4 to 9-4, file with the Board a written request seeking approval to increase the operating pressure set out in Condition 1 of this Order. The request shall include an engineering assessment, prepared per CSA Z662-11 Clause 3.3, and shall also include the following information:
 - a. Validating excavation results for all inline inspections (ILI) used to support the engineering assessment in the form of a unity plot with a supporting table comparing ILI tool data with field obtained data;
 - b. A list of features, including predicted failure pressures extrapolated to the end of 2014, which are identified for repair as per CSA Z662-11 Clause 10.10; features on the list that TCPL repaired and TCPL's rationale for not repairing any feature on the list; and
 - c. A Risk Assessment considering the hazards and consequences of failure.
4. If TCPL further derates the operating pressure of the valve sections set out in Condition 1 due to a pipeline integrity-related issue, TCPL shall notify the Board within 2 days after the derating. The notice shall include the rationale for reducing the pressure.

NATIONAL ENERGY BOARD



for

Sheri Young
Secretary of the Board